

**RICHLAND HILLS CITY COUNCIL
REGULAR MEETING
FEBRUARY 21, 2017
MINUTES**

Roll Call:

Council present:

Bill Agan, Mayor
Roland Goveas, Place 1
Allison Barger, Place 2
Robert DeSoto, Place 3
Beverly Williams, Place 4
Edward Lopez, Mayor pro-tem

Council Absent:

Staff

Eric Strong, City Manager
Cathy Bourg, City Secretary
Betsy Elam, City Attorney

REGULAR SESSION – Mayor Agan Called to Order – Time 6:00 p.m.

Invocation – Mayor Agan

Pledge of Allegiance

**Moved up in the agenda*

- 9. Executive Session: Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sec. 551.071, Sec. 551.072, Sec. 551.073, Sec. 551.074, Sec. 551.076, Sec. 551.087 and Sec. 418.0183 (f) and 418.106 (d) & (e) of the Texas Government Code (Texas Disaster Act).**

Motion: Motion was made by Councilmember Goveas, and seconded by Councilmember DeSoto to convene into executive session. Time: 6:02 p.m.

Motion carried by a vote of 4-0. Councilmember Williams absent from Council Chambers.

Mayor Agan reconvened into open session. Time: 6:26 p.m.

PRESENTATIONS

1A. Citizen Appearances/Public Comments

Citizen Appearances/Public Comments

(Citizens who have signed a card to speak to the City Council will be heard at this time. In compliance with the Texas Open Meetings Act, unless the subject matter of the presentation is on the agenda, the city staff and City Council members are prevented from discussion of the subject and may respond only with statements of factual information or existing city policy. Public comment will not be taken on items that the Council has previously considered in a public hearing.)

No Speakers

CONSENT AGENDA

2A. Approval of minutes from the February 16, 2017 Regular meeting.

Motion: Motion was made by Councilmember Barger, and seconded by Councilmember DeSoto to approve the consent agenda.

Motion carried by a vote of 5-0.

PUBLIC HEARINGS, MEETINGS, AND OTHER RELATED ITEMS

3A. None at this time.

ORDINANCES & RESOLUTIONS AND OTHER RELATED ITEMS

4A. Consider calling an election for November of 2017 for possible approval of an ordinance submitted through the petition process by residents requiring the city to pay all police officers and firefighters no less than the average pay of their equivalents in the cities of: Fort Worth, Hurst, North Richland Hills and Haltom City.

Gerrit K. Spieker, 3401 Jonette, Richland Hills pointed out that the petition header and Charter says upon submission the Council may approve or call an election.

David White, 7008 Hovenkamp, Richland Hills spoke in favor of the petition and believes it is a good thing for Police Officers and Fire Department.

Eric Strong, City Manager presented information regarding the consideration of calling an election for November of 2017 by possible approval of an ordinance submitted through the petition process by residents requiring the City to pay all police officers and

firefighters no less than the average pay of their equivalents in the cities of: Fort Worth, Hurst, North Richland Hills and Haltom City.

On Monday, February 13th 2017, Gerrit Spieker, David White and John Skier submitted a petition and ordinance. This was done in accordance with our Home Rule Charter, which has a provision allowing for citizens to submit a petition with at least 250 signatures or 10% of the total number of voters in the last regular election (May 2016), whichever is greater, along with an ordinance that may be voted on by the qualified voters of Richland Hills. In this case, 250 signatures are required. The petition had at least 252 valid signatures, which meets the criteria outlined in the charter.

The ordinance, as submitted, seems to require the following, if approved:

1. That we pay all sworn police officers and firefighters no less than the average pay of the equivalent of same position in the cities of: Fort Worth, Hurst, North Richland Hills and Haltom City.
2. Compensation is to include:
 - a. Education Reimbursements
 - b. Certifications
 - c. Uniforms
 - d. Personal Equipment
 - e. Medical Insurance
 - f. Pensions
 - g. Matching funds to city sponsored individual retirement accounts]
 - h. Longevity

City Manager Strong made Council aware that approving the ordinance submitted by the residents is actually approving their plan and circumventing the vote. As such, staff has prepared a separate ordinance which calls an election for the purpose of voting on the resident submitted ordinance.

City Manager Strong pointed out the following items to the City Council regarding the proposed ordinance:

1. The residents who submitted the petition stated that they estimate it will cost \$18,000-20,000 per affected employee. We have 37 employees that would be affected, so the total cost to the City will be approximately \$700,000 per year, based on their estimate. Staff is still researching to see how accurate their estimate is, but that number may very well be accurate.
2. There are some indirect impacts that will also cost money that the ordinance doesn't anticipate. As an example, our insurance company will not allow us to treat employees differently. What we offer to fire and police we also have to offer to the rest of our employees. As such, if we have to offer a different deductible, or lower premiums, or pay for family members, etc., for the police and fire, we will likely have to do that for all 85 employees. That means that in addition to the original \$700,000 estimate, we may have to add significant funds to change things for the remainder of the employees for some of these items.

3. The same may hold true for the provision regarding retirement accounts.
4. While three of the cities are in the same retirement system as us (TMRS), Fort Worth is not. If it is determined that they have a better retirement system than us, we have no way to change what we offer within the TMRS system. Technically, it is possible that in order to offer the “average” for the retirement plan, we would have to completely withdraw from TMRS and start our own retirement plan. If this holds true, it will likely have the opposite impact as what the ordinance purports to accomplish, which is retain employees. There are examples of smaller cities that have not been part of TMRS that have had extreme difficulties attracting and retaining talent because they are not part of the statewide retirement plan. Bedford used to be one of these cities, but they finally joined TMRS about ten years ago to solve this very problem.
5. There is no funding mechanism in the ordinance for how to pay for this proposal. This means that if approved, it will ultimately be up to the Council and Staff to come up with the funding. We simply do not currently have an extra \$700,000 to fund this initiative. We will need to evaluate options for how to pay for a proposal such as this. The immediate reaction is that there are really only two ways to do this:
 - a. Decrease other services. We would have to cut at least 10% of our total General Fund budget (as presently constituted) to pay for this. That would likely mean some employee reductions, as well as some service reductions.
 - b. Increase taxes. There would need to be approximately a 15 cent tax increase to fund this initiative. This may result in a rollback rate election.

City Manager Strong discussed funding sources outside of the General Fund, including the Crime Control Prevention Fund and the Traffic Safety Fund. Staff’s recommendation is to not approve the ordinance as submitted and to approve the ordinance calling an election.

Council asked questions regarding Police and Fire employee retention, pay raises, budget impact and the City’s roughly 20 million of unfunded needs.

City Manager Strong discussed salary surveys and raises. There was a salary survey performed last year with cities that are more similar to our size, resources and demographics, and not just by geography. Last year, employees received a 5% raise and the three years prior to that, a 3% raise.

David White, 7008 Hovenkamp, Richland Hills believes we have a lot more income today than we did last year from Wal-Mart and all of the new jobs from the Sam’s businesses and that we need to keep the Police Officers we have so they don’t pack up and run somewhere else.

Gerrit K. Spieker, 3401 Jonette, Richland Hills responded to why they didn’t provide funding solutions. He felt that would be micromanaging. Mr. Spieker believes the City Manager has done a good job outlining various possible solutions and suggested a Town Hall for discussion regarding solutions.

Betsy Elam, City Attorney discussed the difference between advocacy and debating the decision of whether or not to adopt the ordinance submitted by the petitioners.

Barbara Childress, Richland Hills Police Chief pointed out the following information that was presented to petitioners when ask to sign the petition: "We lose several Police and Fire Officers each year to surrounding communities. The main reason they leave is for better pay and benefits. Some of the departing Officers have served many years while others leave after just a few." Chief Childress stated, based on our research, this is a false premise, which is inaccurate. In the past five years, the Police Department has lost two Officers that have left to surrounding communities.

Russell Shelley, Richland Hills Fire Chief reported that since his tenure as Fire Chief, the Fire Department has been fully staffed. They have been able to fill vacancies very quickly from the part time staff. Chief Shelley voiced concerns of not being able to fund the programs and future needs of the Fire Department if this passes, while continuing the same level of services.

Gerrit K. Spieker, 3401 Jonette, Richland Hills made additional comments and stated there is no misstatement in the ordinance or petition.

Motion: Motion was made by Councilmember Barger, and seconded by Councilmember Lopez to approve Ordinance 1327-17, calling an election for November 7, 2017.

Motion carried by a vote of 5-0.

CONTRACTS, AGREEMENTS, BID AWARDS AND OTHER RELATED ITEMS

5A. None at this time.

OTHER ITEMS FOR CONSIDERATION

6A. None at this time.

REPORTS & DISCUSSIONS

7A. None at this time.

8. COMMUNITY INTEREST ITEMS

- Bulk Waste Collection – March 13th
- May 6, 2017 General Election
- Lunch Bunch – March 9th
- Kiowa Casino Trip – March 28th, leave from City Hall at 8am and return at 6pm
- Link Grand Opening – April 29th 10:00 a.m. to 2:00 p.m.

10. **Executive Session: Pursuant to the Open Meetings Act, Chapter 551, Texas Government Code, Sec. 551.071, Sec. 551.072, Sec. 551.073, Sec. 551.074, Sec. 551.076, Sec. 551.087 and Sec. 418.0183 (f) and 418.106 (d) & (e) of the Texas Government Code (Texas Disaster Act).**

None at this time.

11. **A motion was made by Councilmember Goveas, and seconded by Councilmember DeSoto to adjourn. Motion passed 5-0.**

There being no further business to come before the City Council, Mayor Agan declared the meeting adjourned at 7:33 p.m.

ATTEST

APPROVED

Cathy Bourg, City Secretary

Bill Agan, Mayor